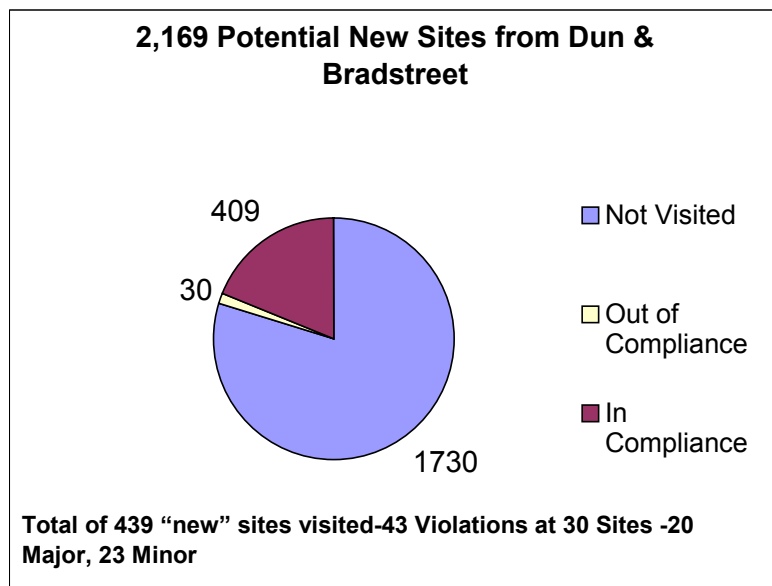


Paterson Compliance and Enforcement Sweep

Paterson is New Jersey's 3rd most populous city where more than 6,100 businesses coexist with more than 149,000 residents. The Department of Environmental Protection (DEP) conducted a two-phase environmental compliance initiative for the city of Paterson. The first phase, known as the Compliance Sweep, began in September 2003 and focused on providing outreach and assistance to known and potentially regulated individuals, businesses and government operations. The second phase, known as the Enforcement Sweep (Sweep), involved a large-scale inspection effort for two-weeks in December 2003. Both efforts were led by the DEP, in partnership with the Environmental Protection Agency (EPA), the Passaic County Health Department and the Passaic Valley Sewerage Commissioners (PVSC). Paterson was chosen due to a high number of regulated facilities. Prior to the Sweep, the DEP inspected 17 percent of the regulated facilities in Paterson, with a cumulative compliance rate of 46 percent. These percentages were low compared to several other northern New Jersey cities.

Facility Determination Process

To perform an accurate and comprehensive compliance evaluation of the City of Paterson, the DEP developed a list of known and potentially regulated facilities utilizing the DEP's New Jersey Environmental Management System (NJEMS) and Dun & Bradstreet (D&B) data. NJEMS identified all facilities that had previously been inspected by the DEP or had some type of permit, and the D&B data generated a list of 2,169 new potentially regulated facilities.



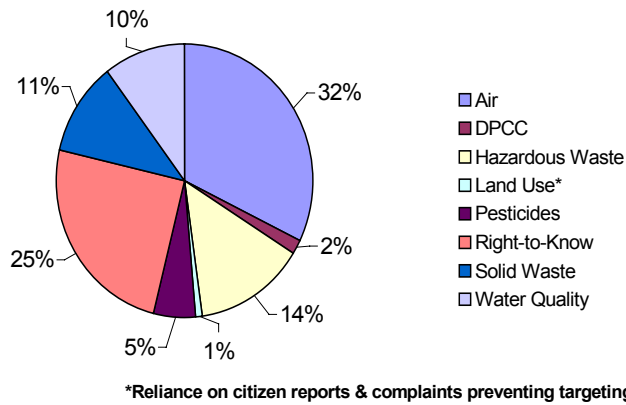
Of the 2,169 new potentially regulated facilities identified by D&B, inspections were conducted at 439 facilities or approximately 20 percent.

Of the 439 facilities that were inspected, 30 facilities or seven percent were found in violation of the regulations. A total of 43 violations were issued, 20 major violations and 23 minor violations.

Regulated facilities are identified first by program applicability and usually by a secondary classification within the program. Each program

in NJEMS identifies a facility by a Program Interest (PI) number. A PI is defined as the data representation of a logical grouping of related resources (mainly structures, facilities, buildings, machinery, equipment, etc.) located at, or associated with a DEP-designated Site, which are of interest to one DEP Program. The program's interest is the result of activities, operations and/or situations requiring DEP regulation or oversight. Aspects of one PI may overlap either partially or entirely with those of another, depending on the focus of the interested programs with regulatory or oversight responsibility. As a result, a single facility may be represented by more than one PI data record. A facility with more than one applicable program will have multiple PI numbers. This chart summarizes the distribution by PIs of known facilities prior to the Sweep.

Distribution of PI Numbers Across Programs

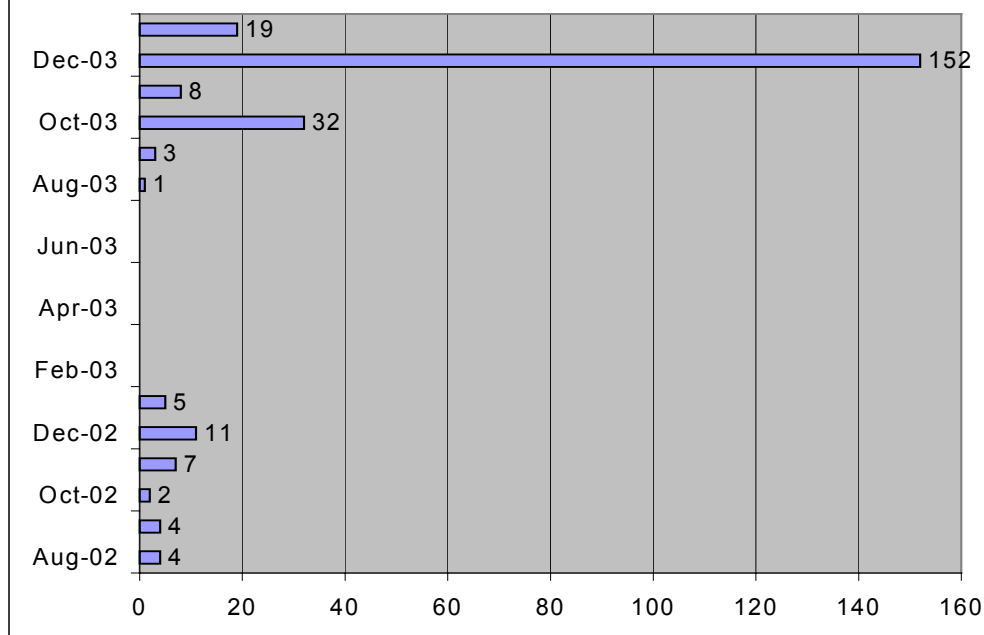


The Air Program has the largest number of PIs at 32 percent followed by the Right-to-Know Program at 25 percent. The Land Use Program has the least amount of PIs at one percent. This program relies on citizen reports and complaints to generate new PI numbers.

A comparison was made of the number of new PIs generated in the year prior to the Sweep and during the Sweep. To do this, PIs were charted by month from August 2002 to January 2003 prior to the Sweep (baseline) and from August 2003 to January 2004 during the Sweep. The same time

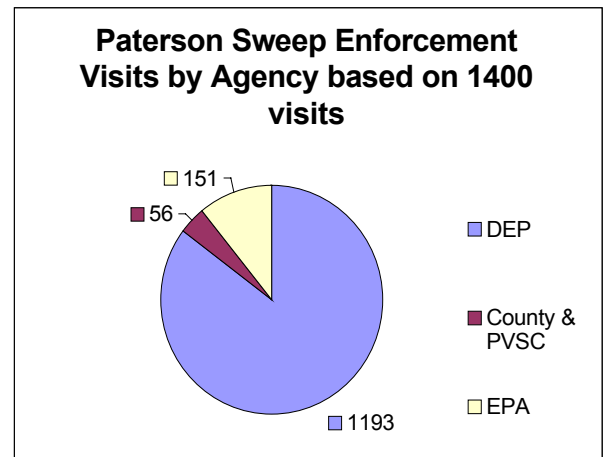
periods a year apart were chosen for comparison to negate variations due to seasonal fluctuations. Baseline is assumed to be normal voluntary applications. There were 33 PIs generated for sites in Paterson during the baseline period. During the Sweep, 215 PIs were generated. On average, five PIs were generated each month during baseline. In contrast, during the Sweep an abnormally high number (152) of PIs were generated in the month of December. On average 35 PIs were generated each month during the Sweep. Sweep PIs could be elevated due to applications generated through compliance assistance and/or the overall fear of a compliance inspection. Facilities evaluated their regulatory status and applied for permits where appropriate to come into compliance prior to being inspected. It is important to note that a new PI may not represent a new facility to the DEP but instead a new interest by one or more of DEP programs. For example, a facility regulated by the Air Program may have applied for a stormwater permit and thus generated a new PI for the Water Quality Program.

New Program Interests Identified Comparison of August 2002 to January 2003 with August 2003 to January 2004



Inspections

There were 123 DEP, EPA, County and PVSC inspectors that participated in the Sweep. The inspectors conducted 1,400 visits over the two-week inspection period. A breakdown of visits by agency is shown here. The number of visits is proportional to the number of inspectors, the DEP conducted 1,193 inspections with 97 inspectors, EPA conducted 151 inspections with 19 inspectors and the County/PVSC conducted 56 inspections with 7 inspectors.



Enforcement Actions

An enforcement action is a legal document issued by the DEP to a person or facility responsible for a violation of the State's environmental regulations. During the Sweep the following types of enforcement actions were issued:

Notice of Violation (NOV) – An enforcement action that puts the violating party on notice that a violation has occurred. An NOV can be prepared either as a result of an inspection or review of a submittal from a regulated facility. The NOV lists the date of discovery of the violation, description of the violation, and a compliance due date. NOVs do not carry penalties, but can serve as the basis for additional enforcement action if compliance is not achieved. Generally an NOV will allow 30 to 60 days for compliance. NOVs cannot be appealed. In many instances, if the violation is corrected, no additional actions will follow.

Administrative Order (AO) – An enforcement action issued after determining that a violator has not complied with an NOV, or after determining that the violation is not a minor violation. An Administrative Order by itself carries no penalty assessment, but orders the violator to comply with a requirement in accordance with the prescribed compliance schedule.

Administrative Order and Notice of Civil Administrative Penalty Assessment (AONOCAPA) – An enforcement action issued after determining that a violator has not complied with an NOV, or after determining that the violation is not a minor violation. AONOCAPAs carry penalties, and are contestable through the State's Office of Administrative Law.

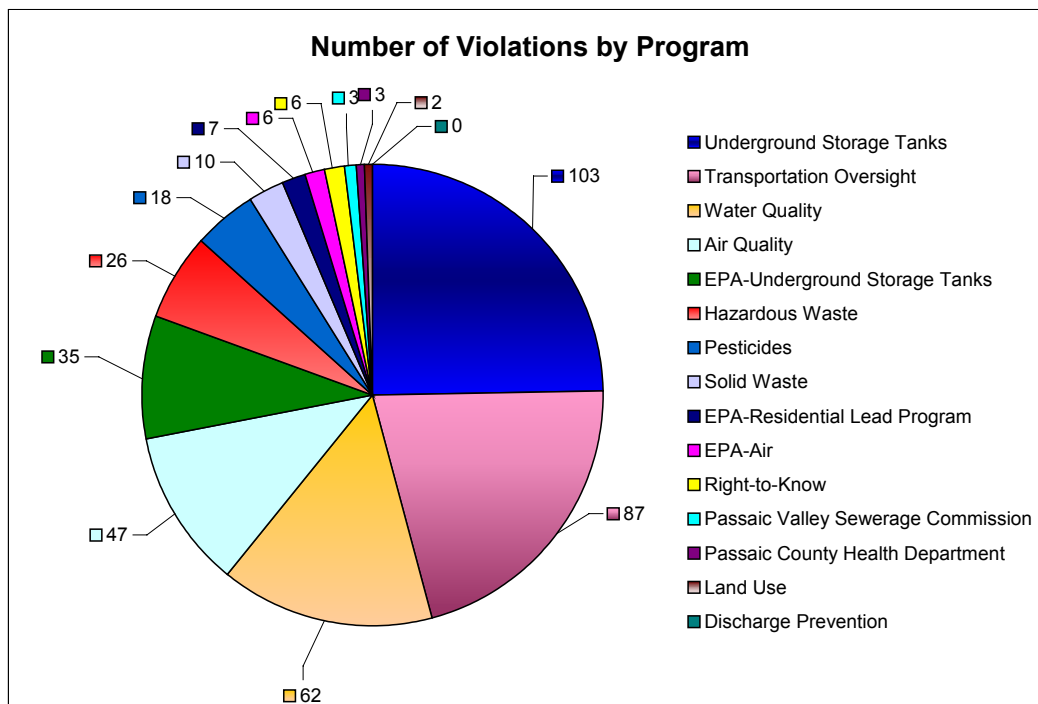
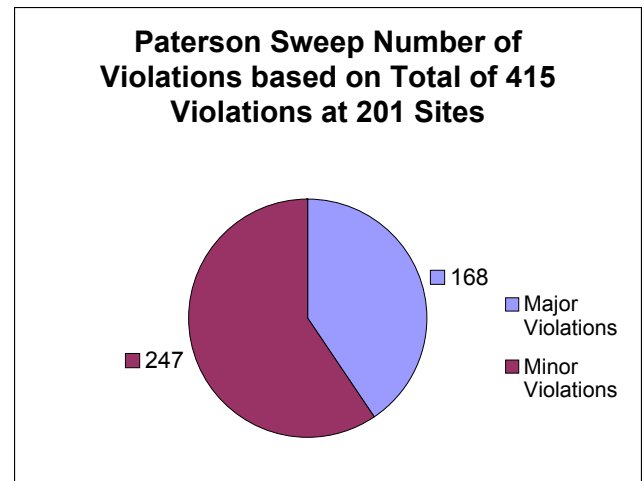
Notice of Penalty (NOP) – An enforcement action used by the Pesticides, Radiation, Water Allocation and Stream Encroachment programs which only have authority to assess civil penalties, as opposed to civil administrative penalties. The NOP identifies the violation, directs them to correct it, and offers to settle for a specified amount. If the violator is not willing to settle, the case is referred to the Office of the Attorney General.

Stop Sale, Stop Use, Embargo – An enforcement action used by the Pesticide and Radiation program when a pesticide or radiation-producing piece of equipment is being used in violation of the law and/or regulations. An embargo prohibits the violator from using the pesticide or radiation equipment until further notice.

There were a total of 415 NOVs issued at 201 facilities, 168 major violations and 247 minor violations. The violations discovered in Paterson were similar to the violation profile of the State.

Most Air, Water and Solid Waste and Hazardous Waste violations were permit-related, Pesticide violations were for the sale of unregistered pesticides, Right-to-Know violations were for failure to submit reports and Transportation Oversight violations were for failure to properly mark vehicles with capacity and registration numbers. The underground storage tank (UST) program issued 103 violations, or approximately 26 percent of all of the violations issued. UST is a newly established Compliance & Enforcement Program. A lower compliance rate can be expected as facilities are newly exposed to a regiment of inspections and oversight.

Program	# of Inspections	# of Violations	% of All Violations
Underground Storage Tanks	43	103	26%
Transportation Oversight	109	87	22%
Water Quality	181	62	15%
Air Quality	312	47	11%
EPA-Underground Storage Tanks	83	35	8%
Hazardous Waste	187	26	6%
Pesticides	95	18	4%
Solid Waste	192	10	2%
EPA-Residential Lead Program	24	7	2%
Right-to-Know	38	6	1%
EPA-Air	4	6	1%
Passaic Valley Sewerage Commission	21	3	1%
Passaic County Health Dept.	35	3	1%
Land Use	2	2	0



Three AOs were issued to facilities in Paterson, one by the Air program to Two Printers LLC and two by the Hazardous Waste program to Empire Industries, Inc. and Zenith Dyeing and Finishing Corporation, respectively. Two Printers LLC failed to obtain an air operating permit and failed to

electronically submit an air emission statement for 2002. Empire Industries, Inc failed to operate or maintain the facility to minimize the possibility of fire, explosion or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents, and failed to determine if the wastes found on-site are hazardous. Zenith Dyeing and Finishing Corporation failed to determine if the wastes found on-site are hazardous. The AO for Zenith Dyeing and Finishing Corporation is held in abeyance, which means the AO that was effective is contested or is in court.

There were 10 AONOCAPAs issued to facilities in Paterson by the Air program for failure to obtain pre-construction permits and/or failure to fulfil all conditions and provisions of an existing permit and certificate.

There were six Stop Sale, Stop Use, Embargos issued for products not containing an EPA registration number, products containing no active ingredient list, and pesticides not registered for sale within the state of New Jersey. Stop Sale, Stop Use, Embargo enforcement actions were issued to Family Discount, International Minimarket, J&M Grocery, Los Hildalgos Supermarket, Miller Brothers Farm Outlet, and Yash Deli & Grocery.

There were three NOPs issued for Fernando's Landscaping, Garden of Secrets Landscaping, and Gars Landscaping, respectively. The investigations disclosed that they caused, suffered, allowed or permitted the operation of a pesticide applicator business within the State of New Jersey without first licensing such business with the DEP.

Penalties

A civil penalty is a fine. Two types of documents, an AONOCAPA and an NOP, were issued for violations discovered during the Sweep with associated penalties. The following table summarizes the penalties that were assessed during the Sweep.

Facility Name	Program	Enforcement Document	Penalty Assessed
ASAP Linen, Inc.	Air	AONOCAPA	\$2,800
Champion Dyeing & Finishing	Air	AONOCAPA	\$4,000
Coral Dyeing & Finishing	Air	AONOCAPA	\$3,000
Crown Roll Leaf, Inc.	Air	AONOCAPA	\$2,400
Custom Laminations, Inc.	Air	AONOCAPA	\$3,000
Fernando's Landscaping	Pesticides	NOP	\$600
Garden Of Secrets Landscaping*	Pesticides	NOP	\$600
Gars Landscaping	Pesticides	NOP	\$600
G&H Metal Finishers, Inc.	Air	AONOCAPA	\$6,000
Kirker Enterprises**	Air	AONOCAPA	\$45,000
Lindstrom & King Co, Inc.	Air	AONOCAPA	\$24,500
Muheisen Plastic Corp.	Air	AONOCAPA	\$500
Sun Metal Finishing, Inc.**	Air	AONOCAPA	\$800
Total			\$93,800

AONOCAPA-Administrative Order Notice of Civil Administrative Penalty Assessment

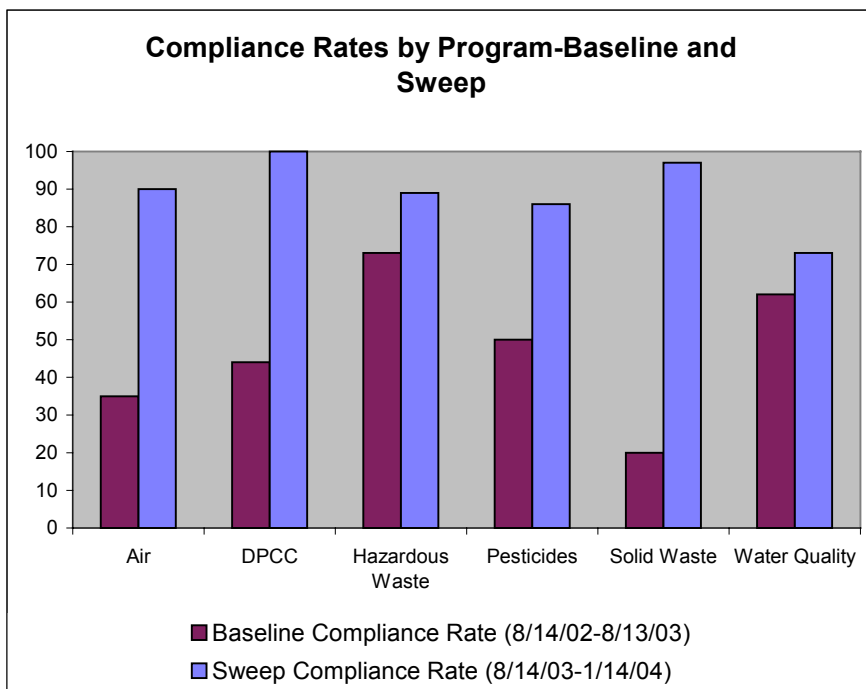
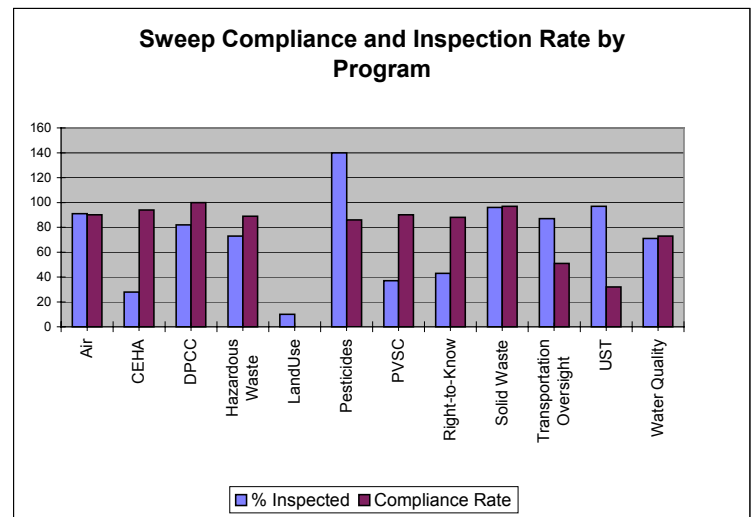
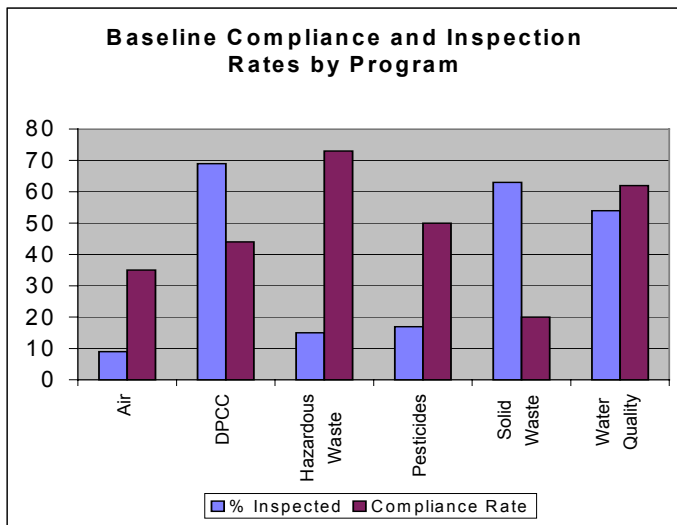
NOP-Notice of Penalty

*- Facility appealed the NOP, case was settled with no penalty.

** -Facility appealed the AONOCAPA, penalty suspended until settled

Compliance Rate

"Compliance Rate" is essentially the percentage of facilities operating in compliance out of all facilities in a group. "Inspection Rate" is the percentage of facilities inspected out of all facilities in a group. Together, these indicators can help determine if the regulator is providing sufficient coverage of the regulated community. The DEP established a baseline of one year prior to the announcement of the Sweep to determine the compliance and inspection rates for Paterson City.



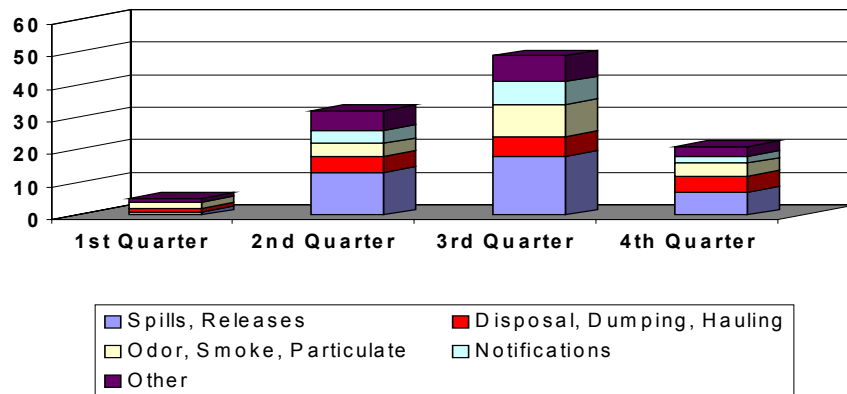
The overall inspection rate for Paterson during the year prior to the Sweep was 17 percent. The inspection rate during the Sweep was 42 percent. The overall compliance rate for Paterson prior to the Sweep was 46 percent. The overall compliance rate for Paterson during the Sweep was 85 percent. The increase in compliance rate could be due to several factors: successful outreach, compliance assistance, fear of inspection, or to targeting sites that are generally in compliance (i.e. low risk) as part of blanketing a region.

Complaint and Notification History

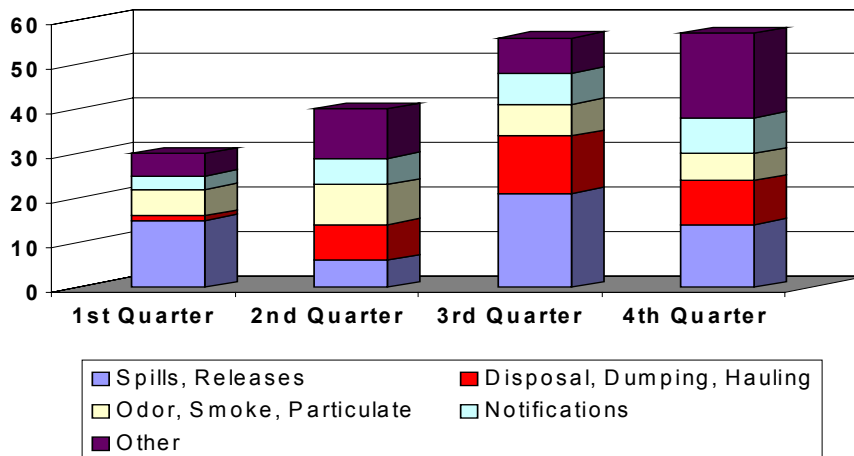
Responding to citizen complaints and notifications from facility owners is an ongoing, high-priority commitment. Citizen complaints have often led to the identification of unpermitted facilities, and

notifications provide the DEP with information needed to ensure the safety and health of a facility's community. The DEP believes information regarding complaint and notifications is relevant, in that it demonstrates the DEP's direct response to the community. The following data is based on incidents reported to the DEP's environmental hotline. Consistently, spills and releases are among the most frequent cause for calls to the hotline.

**Paterson Incidents Reported to the Hotline
for 2002**



**Paterson Incidents Reported to the Hotline
for 2003**



Effects of the Paterson Initiative

To date, the DEP has prepared 121 enforcement actions as a result of violations discovered during the Sweep. NOVs issued for minor violations were prepared for 108 facilities; enforcement actions with penalties were issued to 13 facilities.

Current Compliance Status

Forty-four facilities have achieved compliance (i.e. fully corrected the violation) with the specific requirement(s) stated within the NOV.

New Air and Water Permit Applications

Air: Thirteen facilities applied for preconstruction permits or general permits following the Sweep. Based on notice of violations issued, the DEP expects three additional facilities will submit applications for preconstruction permits for new equipment or small heaters/boilers.

Facility	Permit Type
AJ Siris Products Corp	Application due by 6/2004
Allstate Business Archives LLC	General Permit Emergency Generator (GEN040001)
ASAP Linen, Inc.	General Permit Boiler Heater (GEN040001), Boiler Heater (GEN040002)
ASI Plastic Inc.	Application due by 5/2004
Camaro Firebird Shop, Inc.	Preconstruction Used Oil Space Heater
Classic Towing	Preconstruction Used Oil Space Heater
Elvin Automotive Services, Inc.	Preconstruction Used Oil Space Heater
General Carbon Corp.	Preconstruction Filler, Sifter, Mixer, Impregnating Machine
Louis Street Associates	General Permit Boiler (GEN040001)
Lynx USA	General Permit Boiler (GEN040001)
Miami Onion Roll Co.	General Permit Solid Receiving and Storage (GEN030001)
New World Soap Corp.	General Permit Boiler (GEN040001)
Purrfect Cleaners	Preconstruction Dryer
Technical Processing, Inc	Application due by 6/2004
Titan Adhesives Co., Inc.	General Permit Boiler GP (GEN030001)
Triarco Industries, Inc.	Preconstruction Air Handler

Water: Fourteen facilities applied for permits after being inspected; 8 Basic Industrial Stormwater General Permits, 4 Scrap Metal General Permits, and 2 Nonapplicability Forms. Based on notice of violations issued, the DEP expects three additional facilities will submit applications. Prior to the Sweep, the Water program identified 46 facilities in Paterson. Today, there are 216 facilities identified by the Water program, mostly due to the DEP's identification of Stormwater applicable facilities.

Facility	Permit Type
Acme Scrap Metal	Required to submit a Request for Authorization
Aleppo Sales	Non-applicability Form Submitted
Bennett Plastics, Inc.	Required to submit a Request for Authorization
BL White Welding & Steel Co.	Basic Industrial Stormwater GP NJ0088315 (5G2)
Bridge Auto Wreckers, Inc.	Scrap Metal Processing/Auto Recycling (GP)
Brock Machine Co.	Basic Industrial Stormwater GP NJ0088315 (5G2)
Calcine Corp.	Required to submit a Request for Authorization
Capital Soap Products LLC	Basic Industrial Stormwater GP NJ0088315 (5G2)
Dumont Metal Stamping, Inc.	Non-applicability Form Submitted
Fairfield Textile Corp.	Basic Industrial Stormwater GP NJ0088315 (5G2)
Hills Auto Parts	Scrap Metal Processing/Auto Recycling (GP)
Onyx Waste Services, Inc.	Basic Industrial Stormwater GP NJ0088315 (5G2)
Parma Dismantling, Inc.	Scrap Metal Processing/Auto Recycling (GP)
Pike Motors, Inc.	Scrap Metal Processing/Auto Recycling (GP)
Power Battery Co., Inc.	Basic Industrial Stormwater GP NJ0088315 (5G2)
Reliable Electric Motor Repair, Inc.	Basic Industrial Stormwater GP NJ0088315 (5G2)
Triform Products, Inc.	Basic Industrial Stormwater GP NJ0088315 (5G2)

Minimizing Pollutant Exposure/Risk Reduction

Paterson is located within the Lower Passaic River Watershed (Watershed Management Area #4). Paterson is also a highly industrialized urban city. Industrial Sources of Watershed Contamination can affect the purity of groundwater and that of surface water in a number of ways. Industrial processes often have waste products that are released into a body of water or into the ground, ultimately affecting the general welfare of the watershed. There are several types of pollution caused by industrial sources. Many of the toxic organic chemicals attributed to some industrial processes can be released into the area's water either directly or indirectly. Industrial activity is usually the source of heavy metal contamination such as lead and mercury.

The tremendous amount of pavement and construction in residential areas allows a great deal of residential contaminants to harm surface and groundwater in most watersheds. Impervious ground is characteristic of urban and suburban areas, and the runoff from storms and human water usage finds its way into lakes, streams, rivers, and groundwater. A vast majority of the land within Paterson's watershed management area is more than 25 percent impervious and a significant area adjacent to the Passaic River is more than 75 percent impervious¹. Expansive areas of pavement and development make storm water pollution and residential runoff a serious concern in this area. Chemicals from automobiles such as antifreeze and motor oil find their way into the water, and they can contaminate a significant amount of water with only a small amount of contaminant. An oil slick can be caused by as little as a quart of motor oil, but it is capable of contaminating thousands of gallons of water. Antifreeze depletes the oxygen within water and can cause serious damage to aquatic animals and plants within the watershed.

Combined sewers carry both wastewater and stormwater and were commonly constructed in older urban areas such as Paterson. Combined sewers receive sanitary waste flow from building service line connections and stormwater from drain inlet and roof leader connections. During periods without rainfall, the sanitary waste is normally conveyed through the combined sewer system to a wastewater treatment plant for processing prior to discharge to a waterway. During minor storm events, when the rate of stormwater flow discharged to the combined sewer is low, all of the flow may be conveyed to the wastewater treatment plant. However, during more intense storms, the capacity of the treatment plant or sewer lines would not be sufficient to accommodate all of the combined sanitary and storm flow. During these periods of heavy rainfall or snowmelt a portion of the combined flow is discharged to an adjacent waterway at selected locations along the alignment of the combined sewer system. This overflow, designated as a combined sewer overflow (CSO), contains not only stormwater but also untreated human and industrial waste and debris.

The Municipal Stormwater Regulation Program is a critical component of the broader watershed management based initiatives being undertaken by the DEP. Water inspectors concentrated on stormwater applicability during the Sweep. Thus, 22 NOV's out of 30 total NOV's issued by the Water Quality program, or approximately 73 percent, were for either not having a required stormwater permit or not complying with all of the conditions of an existing stormwater permit. The heart of the program and the benefit to the environment is determined by the Stormwater Pollution Prevention Plan (SPPP). In general, the SPPP calls for removing pollutants from contact with stormwater. This may be achieved in a variety of ways such as covering with a roof or tarp, moving source materials inside, or simple housekeeping procedures. The DEP requires applicable

¹ [Watershed Characterization and Assessment Report -Watershed Management Area 4](#), November 2002

facilities to prepare a Stormwater Pollution Prevention Plan (SPPP) within 12 months. Once implemented, SPPPs help promote a "cleaner and more organized work area needed to prevent stormwater contamination and results in more efficient, safer and cost-effective operations."

When inspectors find an UST system that is either not properly registered, or is known or suspected to be leaking or discharging gasoline, the DEP will effect a delivery ban for that system by applying "red tags". This means that no further deliveries can be made to the UST system(s) in question until the tank is properly registered, or until the known/suspected leak/discharge is investigated and remedied. Five facilities were "red tagged" during the Sweep. In an urban setting such as the City of Paterson, one concern is the movement of fuel vapors into subsurface structures such as basements, sewers and other utility structures which poses a clear safety concern. Another concern is contamination of groundwater from leaking tanks.

Overall, the DEP found that companies improved housekeeping at their facilities, removed stored hazardous waste, obtained air and water permits and have increased their awareness of their facility's impact on the environment. As a result, air and water quality is enhanced. Additionally, illegal fill removed from the flood way of the Passaic River will improve the flood storage capacity of the river and it will be that much less prone to flooding.
